

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1433 - SB 1637

February 19, 2014

SUMMARY OF BILL: Authorizes the Department of Revenue to impose penalties if electronic funds transfer (EFT) payments of any amounts receivable under any law administered by the Department are dishonored. Establishes that 100 percent of the amount of any tax, interest, and penalty assessed as a result of an audit of the taxpayer's books and records on a taxpayer that does not have a business tax license or a physical location in Tennessee is earmarked and allocated specifically and exclusively to the General Fund. Authorizes the Commissioner of the Department of Revenue (DOR) to disclose otherwise confidential information to authorized officials of local government for purposes of determining whether proper local taxes or business taxes are being paid.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to DOR, penalties are imposed under current law if EFT payments of any amounts receivable under any law administered by the Department are dishonored.
- Establishing that 100 percent of the amount of any tax, interest, and penalty assessed as a result of an audit of a taxpayer's books and records on a taxpayer that does not have a business tax license or a physical location in Tennessee is earmarked and allocated to the General Fund is clarifying the current practice and correcting a technical omission made when the Business Tax Act was amended in 2013.
- Any increase in revenue for the state and local government resulting from the department disclosing otherwise confidential information to authorized local government officials for purposes of determining whether proper local or business taxes are being paid is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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